

EXHIBIT C

Settlement Memorandum of Understanding

1. Fidelity & Guaranty Ins. Co. ^("Fidelity") will pay to the Seekonk Water District/Town of Seekonk, Mass, the sum of Fifty thousand dollars (\$50,000.00);

2. The parties hereto agree to Release all claims asserted in the action entitled Fidelity & Guaranty Ins. Co. v. Star Equip. Corp, et al, # 1:04-cv-10250-EFH (D. Mass.) except that Star, Charlene Foran & John Foran do ~~not~~ release Star, and Fidelity do not release claims & defenses they have against each other.

3. This settlement is conditioned upon:
(a) Approval by appropriate municipal authorities; and
(b) Execution of customary releases and settlement agreement.

Dated: March 4, 2006

Seekonk Water District

By Robert T. Lullin Chairman
By [Signature] Attorney for

STAR EQUIPMENT, by

Charlene Foran

Charlene Foran

John Foran

John Foran

John Foran

John Foran

John Foran

John Foran

John Foran

John Foran

John Foran

John Foran

AS TO FORM:

James J. [Signature]
COUNSEL FOR STAR
AND FORAN

[Signature]
Attorney

Fidelity & Guaranty Ins. Co.

By its attorney,

[Signature]

Eric H. Loeffler